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Senate calls for health insurance feasibility study for educators

LANSING – As part of the K-12 budget, the Senate has called for a feasibility study that could provide options for lowering educators' health care costs, Sen. Shirley Johnson, R-Troy, announced today.

Johnson introduced the budget amendment following numerous requests from superintendents criticizing rising health care costs and voicing their opinions on ways to save essential school programs.

"We are working hard to help save all the money we can for school districts, while maintaining quality health care for all educators," Johnson said. "Conducting a study will help determine the best available options to address health care costs that are spiraling out of control."

The proposed study will determine the practicality and economic advantages of moving all educators to a state-based health care system. This includes public schools, community colleges, state universities and intermediate school districts. Other states are researching similar plans, while superintendents have suggested a possible pool for all state employees.

According to a recently released national study by the Association of School Business Officials International, schools have had to trim spending on building maintenance, teaching positions and technology upgrades to counterbalance health care costs.

Of those schools who responded to the survey, more than half claimed the amount spent on health benefits had gone up more than 21 percent during the past three years.

"Superintendents have said school programs will be cut unless health care costs come down. We are trying to help teachers keep their benefits without jeopardizing essential programs," Johnson said.

In Illinois, Gov. Rod Blagojevich is introducing an Education Reform plan that includes a statewide purchasing pool for health insurance and a streamlined purchasing plan. The projected annual savings from the changes are between \$80 million and \$180 million per year.